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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 8, 2013

CERTIFIED MAIL

7010 2780 0002 7254 1255

Dusten Heugly
Martinique Mining
1375 South 100 East
Price, Utah 84501

Subject: Findings of Fact, Conclusions, and Order for Violation MC-2013-42-05, Martinique Mining, Gold Queen-Million \$ Gulch Mine, S/017/0035

Dear Mr. Heugly:

On October 8, 2013, an Informal Conference was held to review the fact of violation and assessment for Violation MC-2013-42-05. As a result of a review of all pertinent data and facts, including those presented in the Informal Conference, the attached document constitutes the findings of fact, conclusions, and order.

Within fifteen (15) days of your receipt of this letter, you or your agent may make a written appeal to the Board of Oil, Gas and Mining. Your written appeal may be filed with Julie Ann Carter, Board Secretary P.O. Box 145801 Salt Lake City, UT 84115-5801. If you have questions regarding the filing, she can be contacted at juliecarter@utah.gov or (801) 538-5277.

The assessed penalty has been reduced to \$0.00 and because you have successfully abated the violation there is nothing further to do regarding this matter.

If you have questions or concerns, please contact me at (801) 538-5320, or Paul Baker at (801) 538-5261.

Sincerely,

Dana Dean, P.E.
Associate Director
Assessment Conference Officer

DD: eb
Enclosures



UTAH DIVISION OF OIL, GAS AND MINING
WORKSHEET FOR FINAL ASSESSMENT OF PENALTIES

COMPANY: Martinique Mining

PERMIT: S/017/0035 (Gold Queen-Million \$ Gulch Mine)

VIOLATION: MC-2013-42-05

ASSESSMENT CONFERENCE OFFICER: Dana Dean

		Proposed Assessment	Final Assessment
(1)	History/Previous Violations	<u>0</u>	<u>0</u>
(2)	Seriousness	<u>20</u>	<u>15</u>
(3)	Negligence	<u>8</u>	<u>5</u>
(4)	Good Faith	<u>0</u>	<u>20</u>
Total Points		<u>28</u>	<u>0</u>

TOTAL ASSESSED FINE \$0.00

**BEFORE THE DIVISION OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

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**IN THE MATTER OF THE
INFORMAL ASSESSMENT
CONFERENCE for NOTICE OF
VIOLATION AND PROPOSED
ASSESSMENT. VIOLATION No.
MC-2013-42-05 GOLD QUEEN-
MILLION \$ GULCH MINE,
S/017/0035, GARFIELD COUNTY,
UTAH**

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**FINDINGS of FACT,
CONCLUSIONS OF LAW
AND ORDER**

CAUSE NO. S/017/0035

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On October 8, 2013, the Division of Oil, Gas and Mining (Division) held an Informal Assessment Conference as provided for by R647-7-106 Utah Administrative Code (2012) in response to a request by Mr. Dusten Heugly to review the fact of violation and assessment amount for Cessation Order MC-2013-42-05, issued to Martinique Mining on May 28, 2013 for operations at the Gold Queen – Million \$ Gulch Mine, S/017/0035, Garfield County, Utah.

ISSUES

The Division, in its Cessation Orders, found that rule R647-3-107.1 and R647-3-101.5 had been violated. These rules require the operator to maintain minimize hazards to the public safety and welfare during operations and to pay permit fees. The Division assessed a fine of \$880.00.

PARTIES

Dana Dean, Associate Director Division of Oil, Gas and Mining served as the Hearing Officer. The hearing was conducted as an informal adjudicative proceeding via teleconference. Wayne Western, Division Engineer/Permit Lead presented the facts and arguments in support of the Cessation Order. Lynn Kunzler, Assessment Officer, presented the arguments concerning the determination of the assessment amount. Dusten Heugly represented Martinique Mining.

No recording or transcript of the conference was made.

FINDINGS OF FACT

Based on the information provided at the conference, the statements presented by those speaking, and on information in the files of the Division the following Findings and Conclusions were made.

1. The Request for an informal assessment conference was delivered to the Division on September 9, 2013.
2. Notice of the Informal Assessment Conference was provided as required.
3. On November May 24, 2013, Mr. Western conducted an inspection at the Gold Queen – Million \$ Gulch Mine and found that some of the highwalls were undercut, presenting a possible danger to the public. A records research upon return to the office showed that the permit fees had not been paid for 2013.
4. On May 28, 2013, Mr. Western wrote a violation requiring the mine to “take actions to protect the public from hazards associated with steep slopes,” to pay the 2013 permit fees and submit the 2012 annual report.
5. The permit fee was paid on June 17, 2013.
6. The annual report was submitted on June 17, 2013.
7. The recontouring of the slopes was completed on August 13, 2012.
8. The delay in the recontouring of the slopes was due to equipment problems and scarceness of replacement parts. Mr. Heugly could have completed the work with damaged equipment, but that would have resulted in oil spillage and he chose the responsible route of getting the equipment fixed first. There were several delays in the procurement of the parts, all beyond Mr. Heugly’s control. He personally fixed the equipment and recontoured the slopes as soon as possible. The Good Will points may be raised to 20.
9. The mine is on a public road, but it is only utilized approximately 10 times per year as it is in a very remote location and terminates at the mine. The public exposure is therefore minimal. The Seriousness points may be reduced to 15.

CONCLUSIONS OF LAW

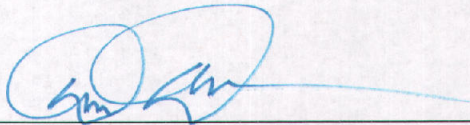
1. Martinique Mining failed to pay the permit fees for the Gold Queen – Million \$ Gulch Mine in a timely manner.
2. Martinique Mining left a portion of the highwall undercut.
3. The fact of the violation should stand.
4. All abatement requirements of MC-2013-42-05 have been met and were done so as quickly as possible under the circumstances.

ORDER

NOW THEREFORE, it is ordered that:

1. The fact of the violation is upheld.
2. The proposed assessment of \$880.00 is reduced to \$0.00.

SO DETERMINED AND ORDERED this 8th day of October, 2013.



Dana Dean, Associate Director
Division of Oil, Gas and Mining
Conference Officer